GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

STARRED QUESTION NO:617
ANSWERED ON:05.05.2003
DUTY EXEMPTION FOR OIL TRANSPORT
GANGASANDRA SIDDAPPA BASAVARAJ

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government are considering any proposal to exempt foreign airlines, operating to and from India or passing through the country from payment of all levies and duties on upliftment of petrol and other lubricants in India;

(b) if so, the details thereof;

(c) whether the Government are also contemplating to amend the Aircraft Act, 1939 to put this into effect;

(d) if so, the details thereof and by when the final decision is likely to be taken in this regard; and

(e) the total loss of revenue likely to be suffered on this amount?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN)

(a), (b), (c), (d) and (e) : A statement is laid on the Table of the House.

STATEMENT IN REPLY TO PART (A), (B), (C), (D) & (E) OF LOK SABHA STARRED QUESTION NO.617 FOR 5.5.2003 REGARDING DUTY EXEMPTION FOR OIL TRANSPORT

(A), (B), (C), (D) & (E): Government has already decided to exempt foreign airlines, operating to/from India or passing through the country from payment of all levies and duties on uplift of fuel and lubricants in India. Accordingly, Parliament has enacted The Foreign Aircraft (Exemption from Taxes and Duties on Fuel and Lubricants) Act, 2002 and the relevant notification was issued on 18.11.2002. Indian carriers are similarly exempted from the payment of duties on fuel and lubricants in foreign countries. The notional loss of revenue on account of this is likely to be about Rs.125 crores per annum on an average.